

MONTANA DEPARTMENT OF JUSTICE
2005 Quarterly Certificate of Escrow Deposit

Part 1: Non-Participating Manufacturer (NPM) Identification

Company Name: _____
Physical Address: _____
Mailing Address (if different): _____
Contact Person Name and Title: _____
Telephone Number: _____ FAX: _____
E-mail Address: _____
Name of distributor(s)/wholesaler(s) that sells your cigarettes or RYO in Montana and brand(s) sold: _____

Part 2: Quarter Being Reported

The sales year for this certificate is the calendar year **2005**. The quarter being reported is (check one):

- | | |
|---|--|
| <input type="checkbox"/> January 1, 2005 - March 31, 2005 | <input type="checkbox"/> July 1, 2005 - September 30, 2005 |
| <input type="checkbox"/> April 1, 2005 - June 30, 2005 | <input type="checkbox"/> October 1, 2005 - December 31, 2005 |

Part 3: Units Sold for the Quarter Indicated

Indicate the number of individual cigarettes and units of "roll-your-own" tobacco sold by the manufacturer (whether directly or through a distributor, retailer, or similar intermediary or intermediaries) for the 2005 quarter indicated above:

A. _____

Part 4: Deposit Amount

The deposit amount for 2005 is \$.0207339 per unit sold.* B. _____ **\$.0207339**

Multiply Line A by line B to calculate the **total deposit due**.

This amount must be deposited in the Montana subaccount of the manufacturer's qualified escrow account within 30 days after the end of the quarter indicated above.

* Mont. Code Ann. § 16-11-403(2)(a) requires payments to be "adjusted for inflation." Mont. Code Ann. § 16-11-402(1) defines "adjusted for inflation" as "increased in accordance with the formula for inflation adjustment set forth in Exhibit C to the Master Settlement Agreement. Each year, this formula increases 3% or the actual inflation rate, whichever is greater. Because the actual inflation rate cannot be determined until the end of 2005, tobacco product manufacturers required to make quarterly escrow payments will be required, in their quarterly escrow payments, to deposit an amount that has been cumulatively adjusted for inflation by 3%. When the inflation rate for 2005 has been determined, manufacturers will be advised and then have until April 15, 2006, to deposit any additional money, if necessary, to satisfy the actual inflation amount under the Act. The 2005 inflation rate, increased by 3%, is 23.75556%. Multiplying the 2005 base escrow deposit amount \$.0167539, by the inflation rate, 23.75556%, equals the cumulative inflation adjustment amount of \$.0039800. Adding the base escrow deposit amount, \$.0167539, to the cumulative inflation adjustment amount, \$.0039800, equals \$.0207339.

Part 5: Financial Institution

Name of Financial Institution: _____
Escrow Agent Contact Name and Title: _____
Mailing Address: _____
Telephone Number: _____ FAX: _____
Escrow Account Number: _____ Montana Subaccount Number: _____

☐ Attached is a copy of the financial institution's receipt or other proof of deposit of the proper escrow payment.

Part 6: Certification

The above-named NPM certifies that (initial all four):

_____ It has previously submitted a Montana Certificate of Escrow Deposit to Attorney General's Office. Date submitted: _____

_____ Its qualified escrow fund complies with Mont. Code Ann. § 16-11-403;

_____ Any escrow funds held or to be held in its qualified escrow fund on behalf of the State of Montana are or will be held in a separate segregated account, separate and apart from escrow funds held on behalf of any other beneficiary; and

_____ There is no security interest that has been granted in or has attached or is otherwise applicable to any escrow funds held or to be held in the above-named Non-Participating Manufacturer's qualified escrow fund on behalf of the State of Montana.

Part 7: Authorized Designee and Representation

This document must be signed and dated by an authorized notary public as follows:

Under penalty of perjury, I certify and declare that all of the statements and information contained in this 2005 Quarterly Certificate of Escrow Deposit, including attachments, if any, are true, correct, accurate and complete in every particular and that I am a person authorized to bind the above-named NPM making this Certification either under the laws of the State of Montana or of the jurisdiction where the manufacturer resides or is organized. Any violation of these requirements is a basis for removal of the above-named NPM and its brand families from the Tobacco Product Directory.

Authorized Designee: _____ Title: _____
Signature of Designee: _____ Date: _____

SUBSCRIBED AND SWORN TO before me on this date: _____
Signature of Notary Public: _____
City or County of: _____
Printed Name of Notary Public: _____
My Commission expires: _____
Seal:

Mail the completed Certificate to:

Ms. Kelly O'Sullivan
Montana Attorney General's Office
215 North Sanders
P.O. Box 201401
Helena, MT 59620-1401

AND

Mr. Lee Baerlocher
Customer Service Center Division
Department of Revenue
P.O. Box 5805
Helena, MT 59604-5805